

## THE PARTIES

3. Upon information and belief, Defendant PerfX Wireline Services, LLC is a limited liability company with its principal place of business at 1525 N. Raleigh Street, Suite 500, Denver, Colorado. Defendant PerfX Wireline Services, LLC may be served with process

by serving its registered agent at Incorp Services, Inc., 815 Brazos Street, Ste. 500, Austin, Texas 78701, or as otherwise authorized under applicable law.

4. Upon information and belief, Defendant has regular and established places of business throughout Texas and in this District, including at 1607 S. County Road 1105, Midland, TX 79706. Defendant lists its Midland, TX location on its website under “West Texas Locations.”

### **JURISDICTION AND VENUE**

5. This is an action for patent infringement under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. § 271.


6. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the Patent Laws of the United States, including 35 U.S.C. § 1 *et seq.*

7. This court has personal jurisdiction over Defendant, and venue is proper in this District, because Defendant has regular and established places of business within this District and because Defendant actively and regularly conducts business within the State of Texas and within this District. Further, upon information and belief, infringement is occurring within the State of Texas and this District through Defendant’s manufacture and distribution of the “PerfX XConnect” (hereinafter referred to as “XConnect”) prewired perforating gun system at its Texas manufacturing and distribution facilities, and within the State of Texas and this District through Defendant’s sales of or offers to sell the XConnect.

8. Further, Defendant has admitted that as of February 7, 2020 it had “doub[led] its presence in the Midland Basin” in the Western District of Texas in the preceding two years. Exhibit A. Defendant regularly targets Midland and/or the Permian Basin in its XConnect

advertising materials. For example, *see e.g.*:

- [https://www.linkedin.com/posts/perfxwireline\\_oilandgas-oilandgasindustry-oilandgaslife-activity-6658387986423570432-JLpl](https://www.linkedin.com/posts/perfxwireline_oilandgas-oilandgasindustry-oilandgaslife-activity-6658387986423570432-JLpl) (last visited Apr. 2, 2021)



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#oilandgas #oilandgasindustry #oilandgaslife #oilandgascompany #permianbasin #oilgas #perfxwirelineservices #oilandgascompany #perfxprinciple #dependable

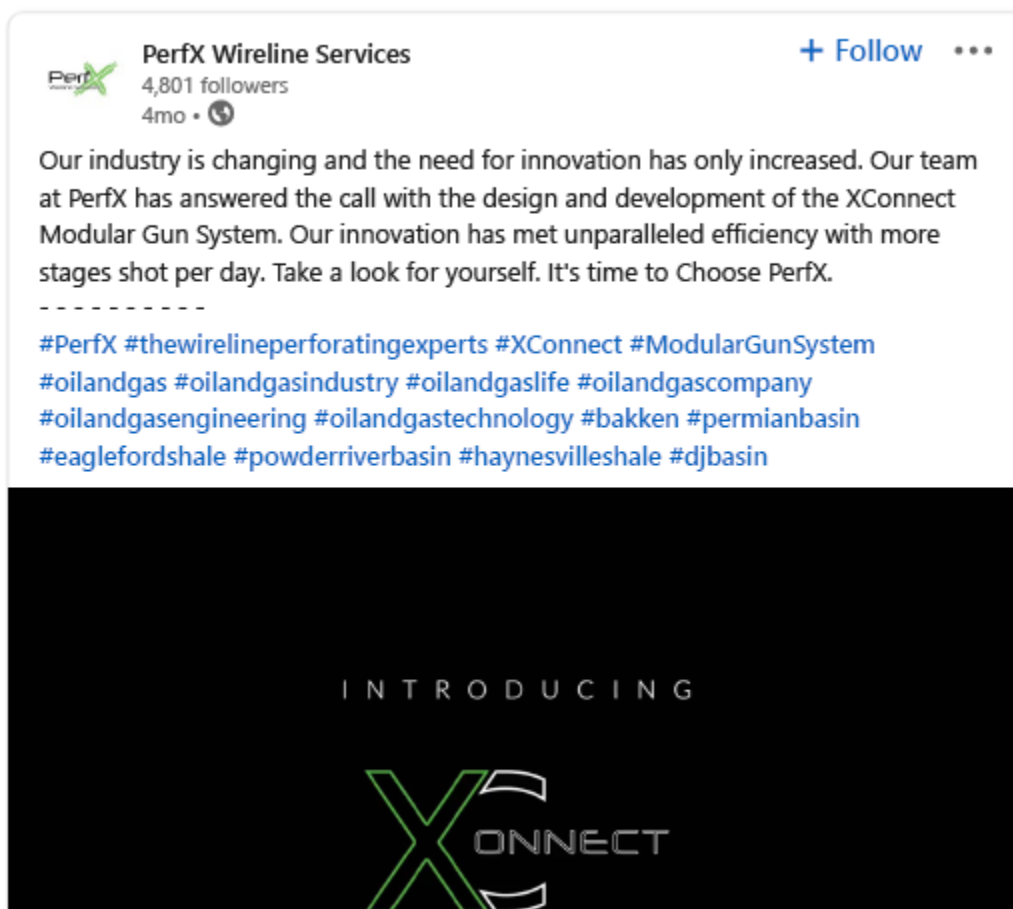
99.73%

HUMAN EFFICIENCY

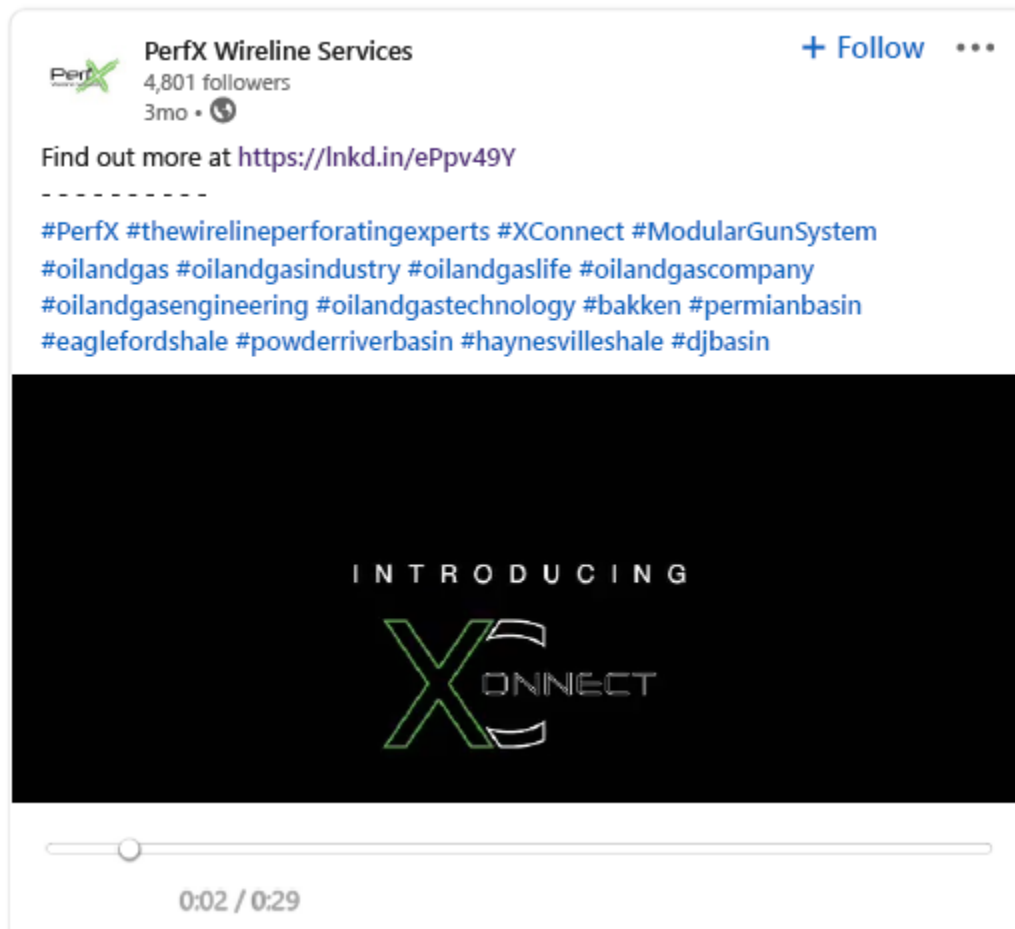
Locations	Stages	Misruns	Efficiency
ND-MIN-3270	340	0	100%
ND-MIN-8192	370	0	100%
ND-MIN-3208	444	0	99.32%
ND-MIN-0467	643	0	99.84%
ND-WIL-2091	683	0	99.83%
ND-WIL-4920	837	0	99.76%
ND-WIL-1672	867	0	99.85%
ND-WIL-2342	202	0	100%
ND-WIL-0103	602	0	99.67%
OK-OKC-7055	150	0	99.27%
TX-MID-1020	99	0	97.85%
TX-MID-1603	321	0	99.69%
TX-MID-2354	3	0	100%
TX-MID-2380	201	0	99.50%
TX-MID-1600			

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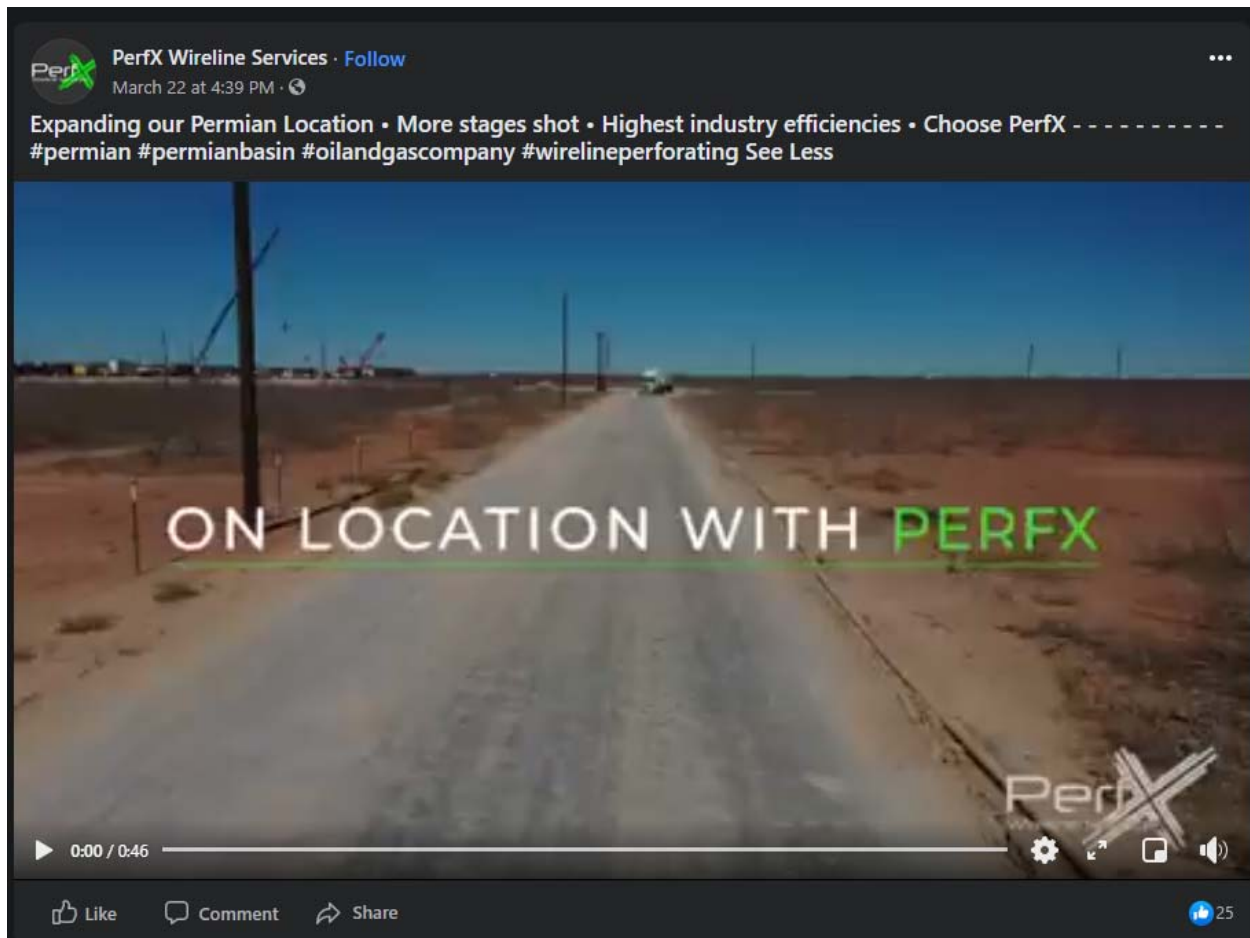
- [https://www.linkedin.com/posts/perfxwireline\\_choose-xconnect-choose-perfx-activity-6732716979179913216-MZTV/](https://www.linkedin.com/posts/perfxwireline_choose-xconnect-choose-perfx-activity-6732716979179913216-MZTV/) (last visited Apr. 2, 2021)



- [https://www.linkedin.com/posts/perfxwireline\\_perfx-thewirelineperforatingexpert-s-xconnect-activity-6742810770737889280-E2Wj/](https://www.linkedin.com/posts/perfxwireline_perfx-thewirelineperforatingexpert-s-xconnect-activity-6742810770737889280-E2Wj/) (last visited Apr. 2, 2021).



- <https://www.facebook.com/watch/?v=2884410775180964> (last visited Apr. 2, 2021).



- The following posts can be found on Defendant's Facebook page at [https://www.facebook.com/perfxwirelineservices/?ref=page\\_internal](https://www.facebook.com/perfxwirelineservices/?ref=page_internal).



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 **PerfX Wireline Services**  
December 26, 2019 · 🌐

Accurate & Efficient.  
The PerfX Way.  
Misruns and Human errors cost everyone time and money. That's why our team strives for eXcellence. Last month was another example of that.

#PerfX #PerfXWireline #Perforating #WirelineCompany  
#thewirelineperforatingexperts #oilandgas



**The November 2019 Report**  
**Human Efficiency**



**NORTH DAKOTA**

STAGES	MISRUNS	EFFICIENCY
1,742	3	99.82%



**TEXAS**

STAGES	MISRUNS	EFFICIENCY
691	1	99.85%

👍❤️👏 53 4 Comments 11 Shares

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PerfX Wireline Services

December 29, 2020 · 🌐

We are redefining what a pumpdown perforating provider can accomplish. With our patented XConnect Modular Gun System, industry leading TRIR averages, & groundbreaking SPARTAN safety program, consider the game changed. Find out more about us at [perfxwireline.com](https://perfxwireline.com)

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#PerfX #thewirelineperforatingexperts #XConnect #ModularGunSystem #oilandgas #oilandgasindustry #oilandgaslife #oilandgascompany #oilandgasengineering #oilandgastechnology #bakken #permianbasin #eaglefordshale #powderriverbasin #haynesvilleshale #djbasin



44

2 Comments 6 Shares

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8





9. Venue as to Defendant is thus proper in this judicial district under 28 U.S.C. §§ 1391(b) and (c) and 1400(b).

### **FACTS**

10. DynaEnergetics is a leader in the field of well completion, perforating, well abandonment, and seismic technologies. DynaEnergetics has a long history of technological innovation, including innovation in the manufacture of detonators, detonating cords, and perforating hardware.

11. In connection with its research and development efforts, DynaEnergetics has developed groundbreaking inventions for a wireless detonator assembly, a pre-wired perforating gun assembly, and methods of assembling the pre-wired perforating gun assembly. These inventions are currently protected by multiple United States patents, including U.S. Patent No. 10,844,697 (the “’697 Patent”) and U.S. Design Patent No. D904,475 (the “’475 Patent”) (collectively, the “Patents-in-Suit”).

12. DynaEnergetics owns all right, title, and interest in and to the Patents-in-Suit.

13. DynaEnergetics makes, distributes, offers to sell, and sells perforating gun systems that practice the Patents-in-Suit. DynaEnergetics Europe exclusively licenses DynaEnergetics US to make, distribute, offer to sell, and sell perforating gun systems that practice the Patents-in-Suit in the United States. DynaEnergetics has marked the covered products in accordance with 35 U.S.C. § 287.

14. Defendant is a competitor of DynaEnergetics, including in the field of perforating systems. Defendant has, upon information and belief, either alone or in concert, manufactured, distributed, sold, or offered to sell the XConnect in the United States, including within the State of Texas and within this District.

15. Because Defendant is using infringing technology to compete directly with DynaEnergetics, it is causing irreparable harm to DynaEnergetics, thereby forcing DynaEnergetics to bring this lawsuit to protect its intellectual property.

**Defendant’s Infringement of the ’697 Patent**

16. The ’697 Patent, entitled “PERFORATION GUN COMPONENTS AND SYSTEM,” was duly and legally issued on November 24, 2020 to DynaEnergetics Europe GmbH. A true and accurate copy of the ’697 Patent is attached hereto and incorporated herein

by reference as Exhibit B.

17. Defendant describes and provides photos of the XConnect on its website at <https://www.perfxwireline.com/xconnect>. A copy of the Defendant's website advertising the XConnect and the corresponding photos (as accessed on January 30, 2021) is attached hereto and incorporated herein by reference as Exhibit C.

18. The XConnect infringes one or more claims of the '697 Patent, including at least each and every element of Claim 1 either literally or equivalently, as set forth below.

19. Claim 1 of the '697 Patent recites:

1. An electrical connection assembly for establishing an electrical connection in a tool string, the electrical connection assembly comprising:

a tandem seal adapter having a first end, a second end and a bore that extends from the first end to the second end and entirely through the tandem seal adapter;

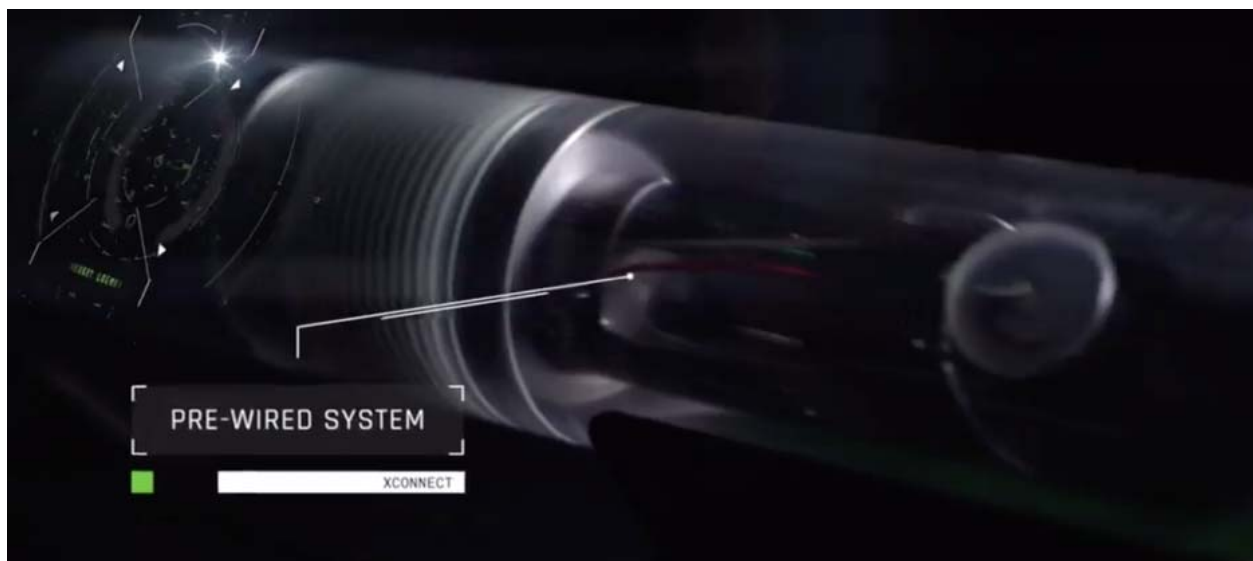
a perforation gun system comprising a first outer gun carrier, a shaped charge, and a first detonator, wherein the shaped charge and the first detonator are positioned within the first outer gun carrier, wherein the first outer gun carrier is connected to the first end of the tandem seal adapter; and

a pressure bulkhead having an outer surface, a first end and a second end, the outer surface of the pressure bulkhead is sealing received in the bore of the tandem seal adapter, the pressure bulkhead also having a pin connector assembly extending through the pressure bulkhead from a first pin connector end to a second pin connector end, and configured to relay an electrical signal from the first end of the pressure bulkhead to the second end of the pressure bulkhead,

wherein the first pin connector end extends beyond the first end of the pressure bulkhead and the second pin connector end extends beyond the second end of the pressure bulkhead, wherein

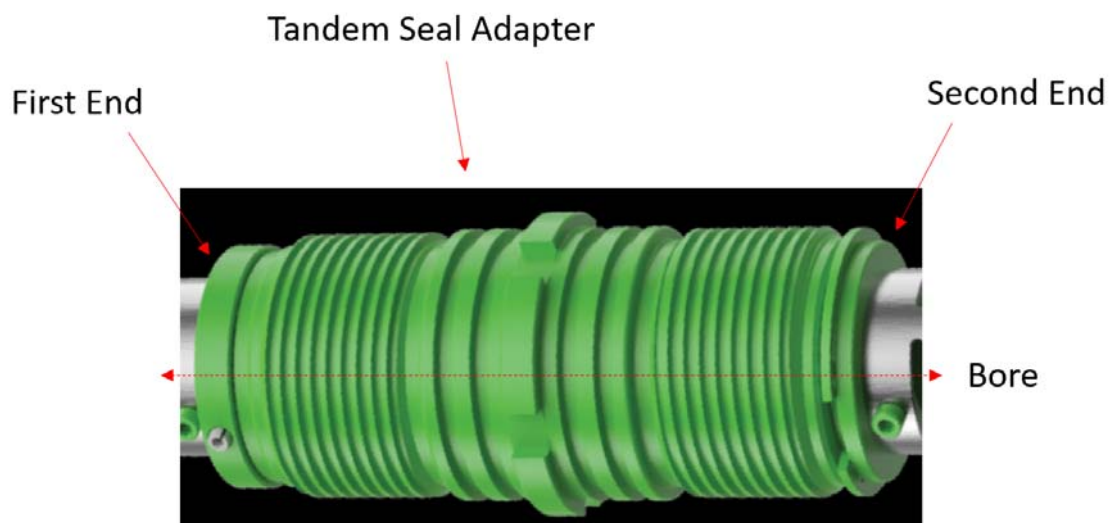
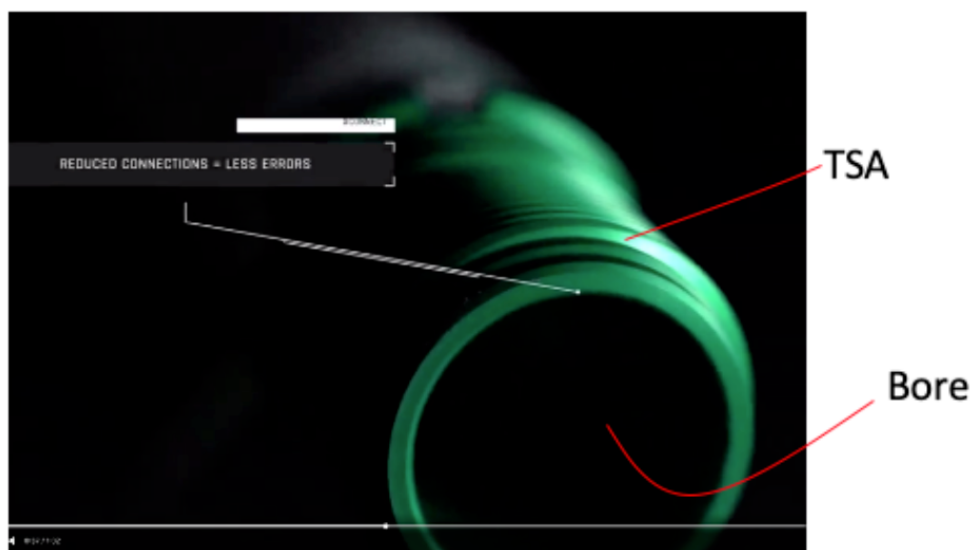
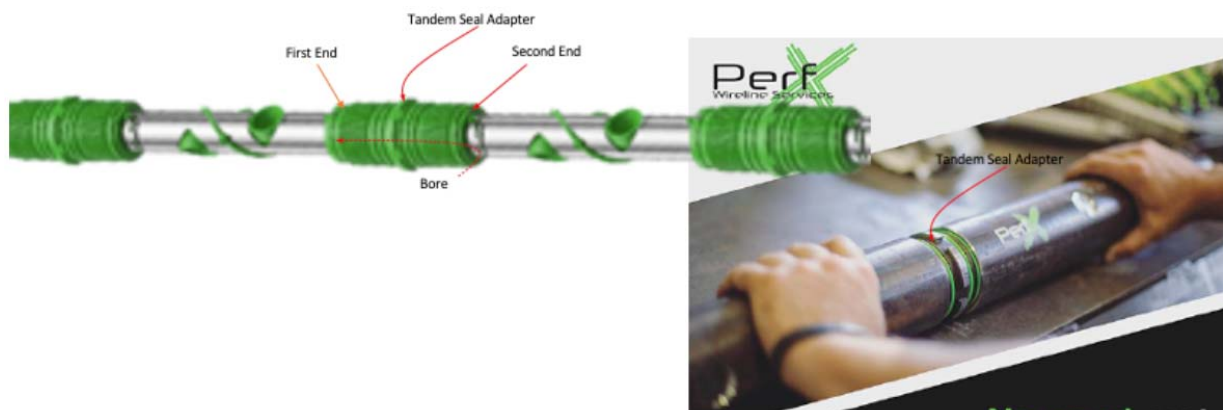
the first detonator is in electrical communication with the pin connector assembly, wherein the tandem seal adapter and the pressure bulkhead are configured to provide a seal between the detonator and an environment on the second end of the tandem seal adapter.

20. The XConnect either literally or equivalently contains an electrical connection assembly for establishing an electrical connection in a tool string. This is evidenced by the description of the XConnect in Exhibit C stating that the XConnect is a “[p]ortless [g]un [s]ystem” and “[e]liminates wiring onsite.” An example of this is also shown in the below photo of the XConnect.

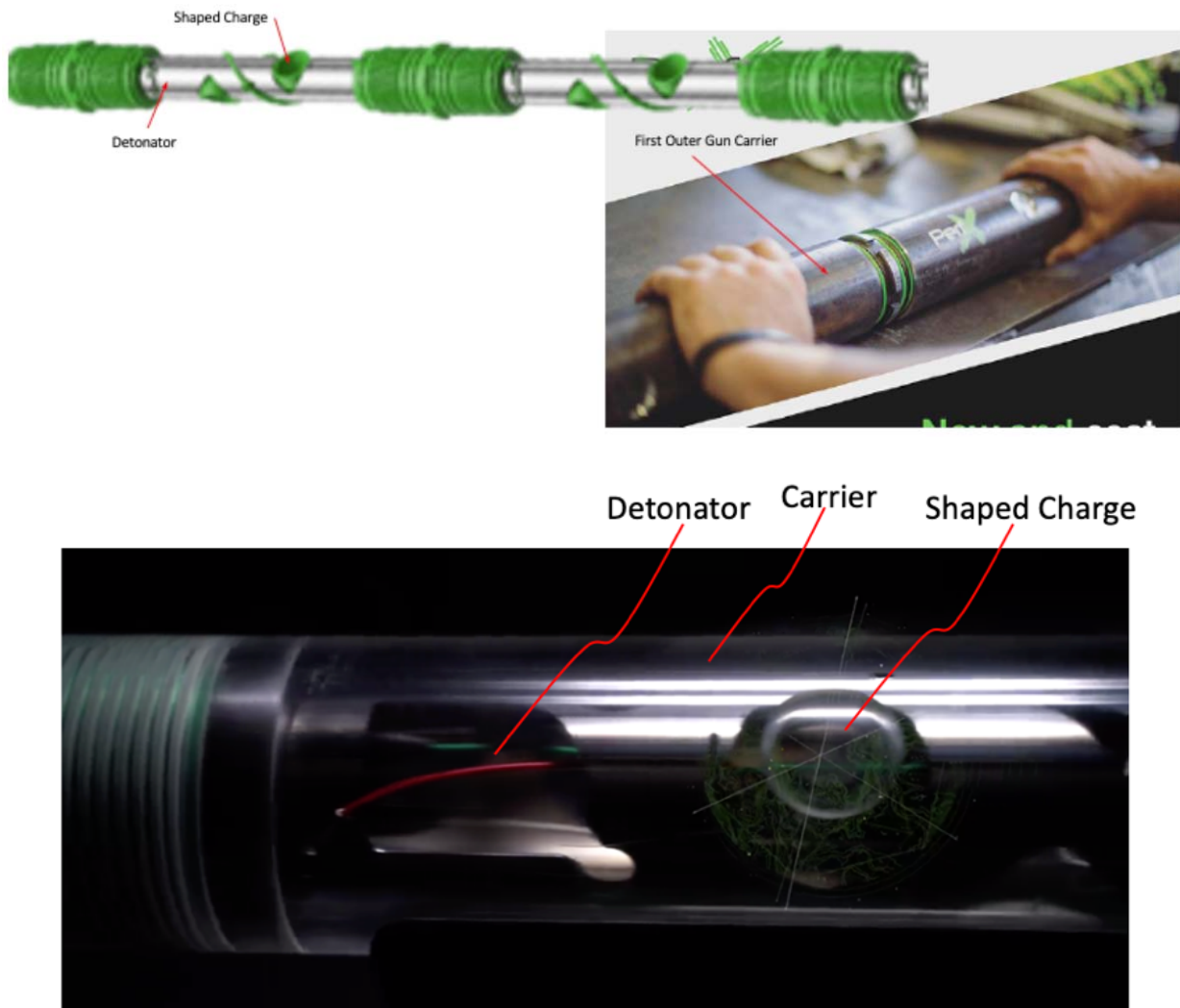


21. The electrical connection assembly in the XConnect either literally or equivalently comprises a tandem seal adapter having a first end, a second end and a bore that extends from the first end to the second end and entirely through the tandem seal adapter. An

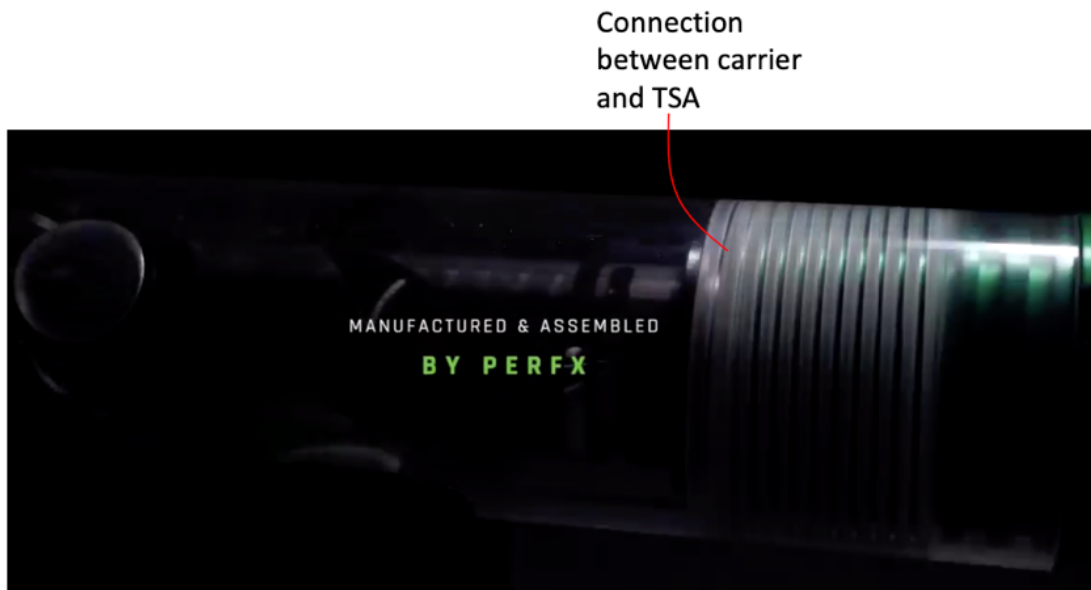
example of this is shown in the below annotated photos of the XConnect.



22. The electrical connection assembly in the XConnect either literally or equivalently comprises a perforation gun system comprising a first outer gun carrier, a shaped charge, and a first detonator, wherein the shaped charge and the first detonator are positioned within the first outer gun carrier, wherein the first outer gun carrier is connected to the first end of the tandem seal adapter. An example of this is shown in the below annotated photos of the XConnect.

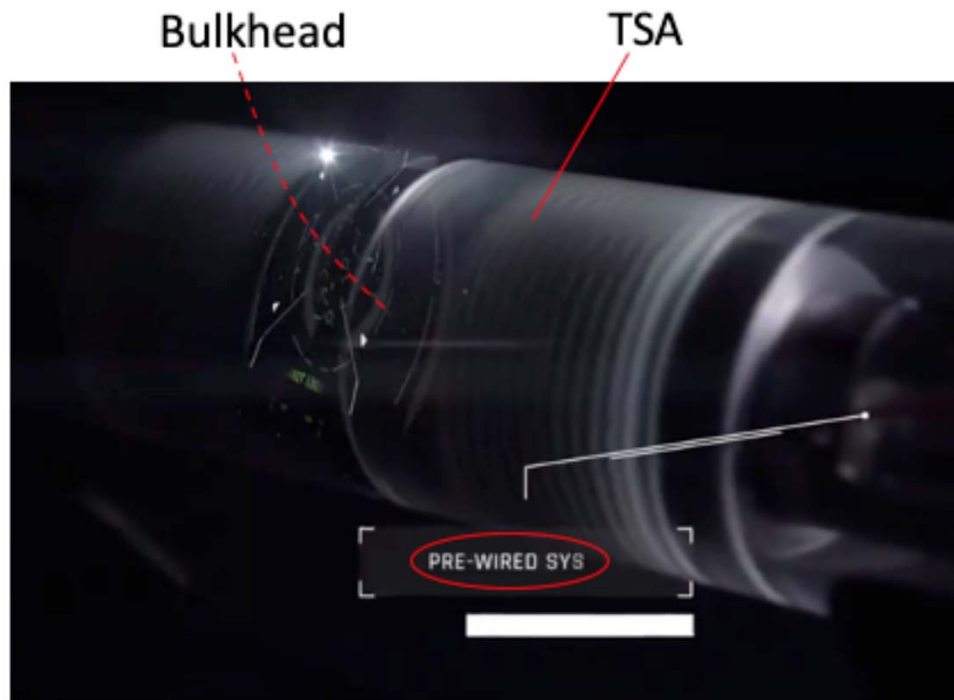






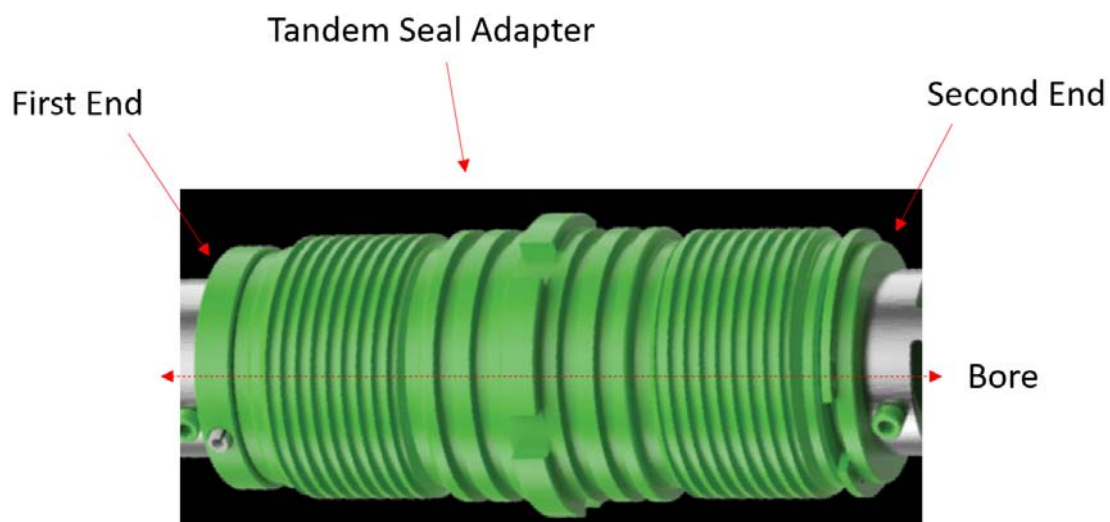
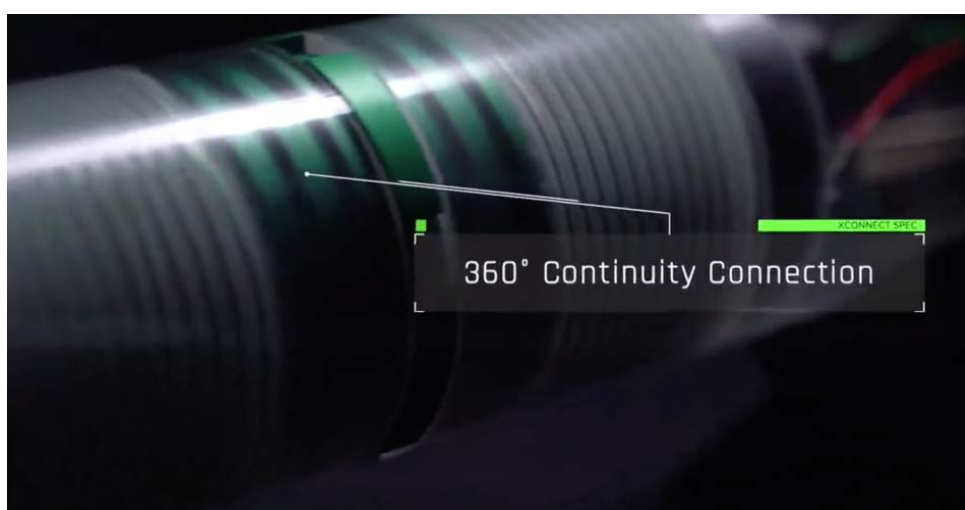
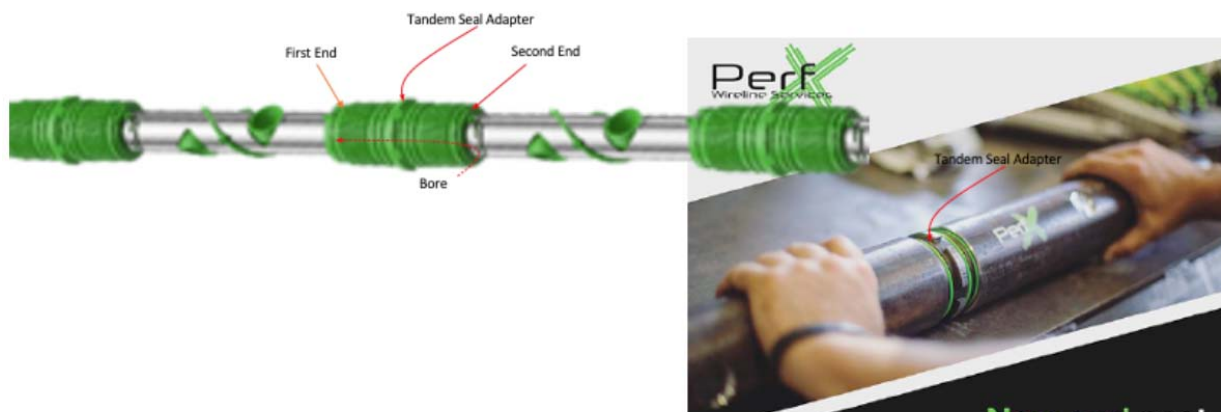
23. The electrical connection assembly in the XConnect either literally or equivalently comprises a pressure bulkhead having an outer surface, a first end and a second end, the outer surface of the pressure bulkhead is sealingly received in the bore of the tandem seal adapter, the pressure bulkhead also having a pin connector assembly extending through the pressure bulkhead from a first pin connector end to a second pin connector end, and configured

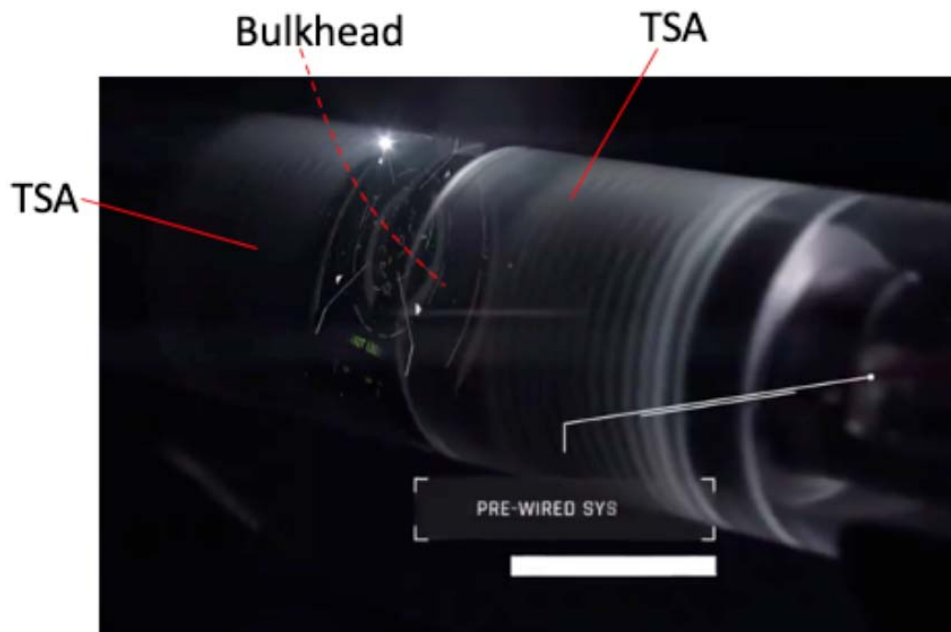
to relay an electrical signal from the first end of the pressure bulkhead to the second end of the pressure bulkhead, wherein the first pin connector end extends beyond the first end of the pressure bulkhead and the second pin connector end extends beyond the second end of the pressure bulkhead. This is evidenced by the description of the XConnect in Exhibit C stating that the XConnect is a “[p]ortless” sub with a bore for receiving a bulkhead with pin connections making “Plug and Play” connections and thereby “[e]liminat[ing] wiring onsite.” An example of this is also shown in the below annotated photos of the XConnect.



24. The electrical connection assembly in the XConnect either literally or equivalently comprises the first detonator being in electrical communication with the pin connector assembly, wherein the tandem seal adapter and the pressure bulkhead are configured to provide a seal between the detonator and an environment on the second end of the tandem seal adapter. An example of this is shown in the below annotated photos of the XConnect.



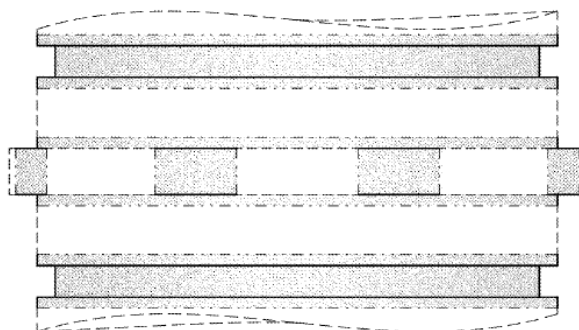




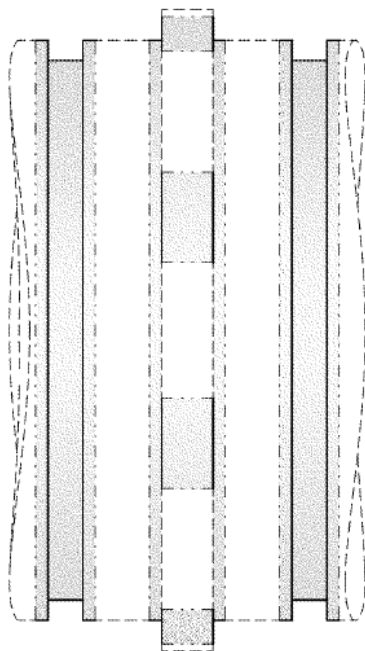
**Defendant's Infringement of the '475 Patent**

25. The '475 Patent, entitled "TANDEM SUB," was duly and legally issued on December 8, 2020 to DynaEnergetics Europe GmbH. A true and correct copy of the '475 Patent is attached hereto and incorporated by reference as Exhibit D.

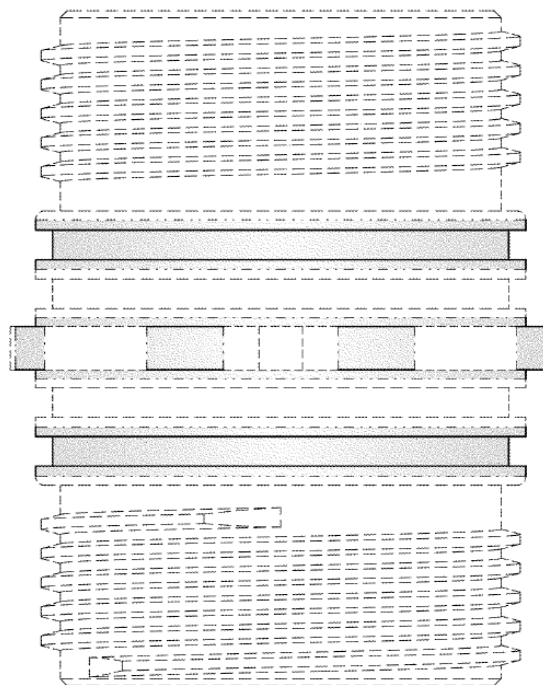
26. Below are exemplary figures of the '475 Patent:



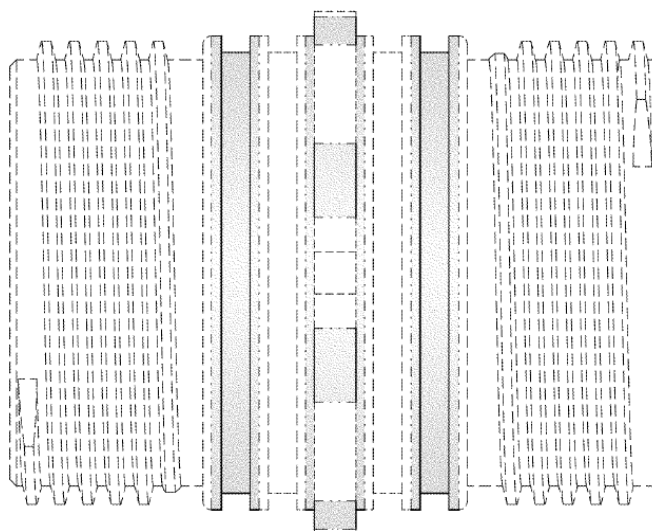
**FIG. 3**



**FIG. 5**



**FIG. 10**



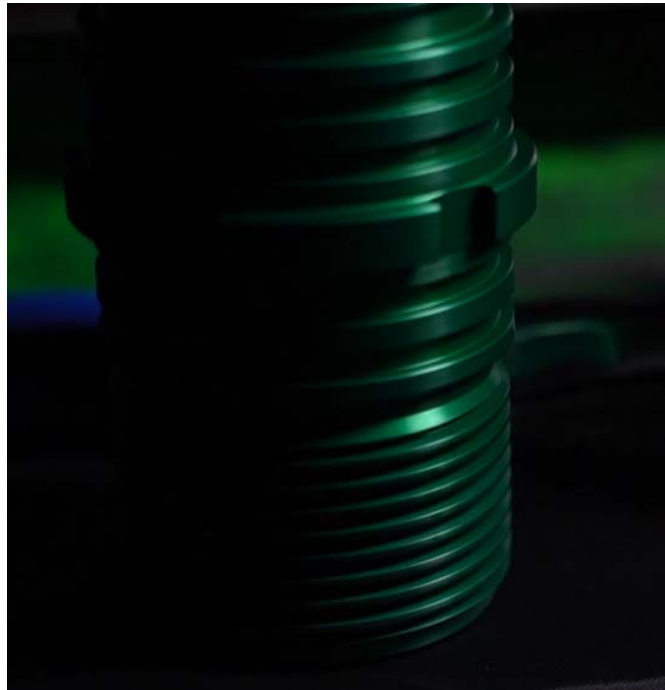
**FIG. 12**

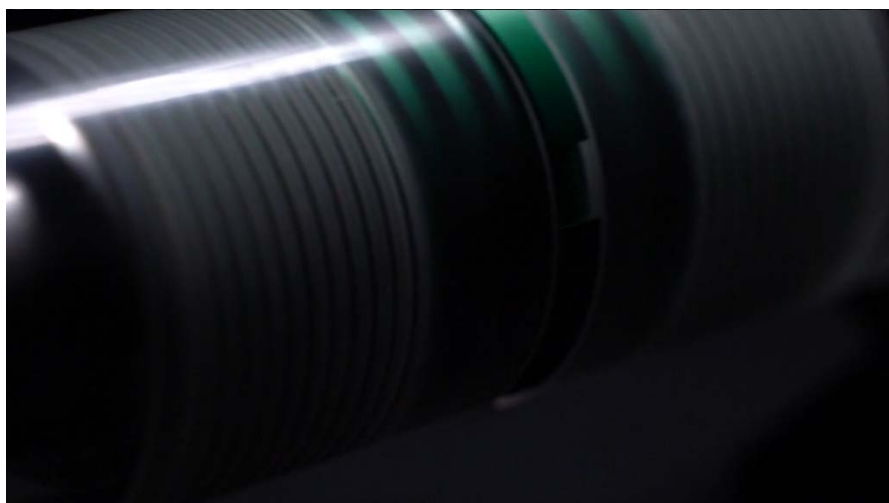
27. Defendant describes and provides photos of the XConnect on its website at <https://www.perfxwireline.com/xconnect>. A copy of the Defendant's website advertising the

XConnect and the corresponding photos (as accessed on January 30, 2021) is attached hereto and incorporated herein by reference as Exhibit C.

28. Defendant has purposefully advertised, marketed, promoted, offered for sale, sold, distributed, manufactured, and/or imported, and continues to advertise, market, promote, offer for sale, sell, distribute, manufacture, and/or import, products that violate DynaEnergetics rights, including DynaEnergetics' design patent rights. Defendant's infringing products are confusingly similar imitations of DynaEnergetics' products.

29. Defendant's infringing products include at least its XConnect prewired perforating gun system. Shown below are exemplary figures of Defendant's infringing XConnect prewired perforating gun system:





**Defendant's Notice of the Patents-in-Suit**

30. On September 11, 2020, counsel for DynaEnergetics Europe Lisa Moyles sent Defendant a letter, attached hereto as Exhibit E, stating that DynaEnergetics Europe had become aware of Defendant's XConnect prewired perforating gun system and stating its belief that the XConnect infringed one or more claims of U.S. Patent Application No. 16/585,790 (the "'790 Application") which later issued as the '697 Patent. In her letter, Ms. Moyles requested that Defendant cease importing, making, using, marketing, promoting, selling, or offering for sale the

XConnect gun systems in the United States and stating DynaEnergetics Europe's intention to pursue all available legal remedies should Defendant continue its infringing activity.

31. Counsel for Defendant Peter Brewer sent a responsive letter, attached hereto as Exhibit F, on November 18, 2020 requesting that Ms. Moyles send a claim chart so that Defendant could evaluate its claim for patent infringement.

32. On November 25, 2020, Ms. Moyles sent an email to Peter Brewer notifying Defendant of the issuance of the '697 Patent and attaching a claim chart comparing Defendant's XConnect gun system to Claim 1 of the '697 Patent. Exhibit G. Instead of responding to the allegations in the claim chart, Defendant engaged in forum-shopping and filed an anticipatory declaratory judgment action in the District of Colorado.<sup>1</sup>

33. The claims in the published '790 Application are identical to the claims that actually issued in the '697 Patent. Thus, Defendant has known of the invention described and claimed in the '697 Patent and been on notice of DynaEnergetics' claims against it since at least as early as September 11, 2020.

34. Defendant has known of the '475 Patent and its own infringing activities since at least as early as the filing of this complaint.

### **COUNT I – INFRINGEMENT OF THE '697 PATENT**

35. DynaEnergetics repeats and incorporates by reference the allegations contained in the foregoing paragraphs, as if stated fully herein.

36. DynaEnergetics Europe is the owner of the '697 Patent, with all substantive rights in and to that patent, including the sole and exclusive right to prosecute this action and enforce the '697 Patent against infringers, and to collect damages for all relevant times.

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<sup>1</sup> *PerfX Wireline Services, LLC v. DynaEnergetics US, Inc.*, No. 1:20-cv-03665 (D. Colo.).



37. Defendant has, either alone or in concert, directly infringed and continues to infringe the '697 Patent, either literally or through the doctrine of equivalents, by making, using, importing, supplying, distributing, selling and/or offering for sale the XConnect gun system within the United States, in violation of 35 U.S.C. § 271(a).

38. Upon information and belief, Defendant has made and continues to make unlawful gains and profits from its infringement of the '697 Patent.

39. At least as early as the filing of this complaint, Defendant has been on notice of and has had knowledge of, the '697 Patent and of DynaEnergetics' allegations of infringement. Defendant's infringement of the '697 Patent has been willful and deliberate at least since this date.

40. DynaEnergetics has been damaged and irreparably harmed by Defendant's infringement of the '697 Patent for which DynaEnergetics is entitled to relief under 35 U.S.C. § 284. DynaEnergetics will continue to suffer damages and irreparable harm unless Defendant are enjoined preliminarily and permanently by this Court from continuing its infringement.

#### **COUNT II – INFRINGEMENT OF THE '475 PATENT**

41. DynaEnergetics repeats and incorporates by reference the allegations contained in the foregoing paragraphs, as if stated fully herein.

42. DynaEnergetics Europe is the owner of the '475 Patent, with all substantive rights in and to that patent, including the sole and exclusive right to prosecute this action and enforce the '475 Patent against infringers, and to collect damages for all relevant times.

43. Defendant has directly infringed and continues to infringe the claim of the '475 Patent by making, using, offering for sale, or selling certain perforating guns, including the XConnect prewired perforating gun system, which embodies each element of the claim of the

'475 Patent, without the authorization, consent, or permission of DynaEnergetics.

44. Defendant's XConnect prewired perforating gun system infringes the '475 Patent because the overall appearance of the design of Defendant's XConnect prewired perforating gun system and the '475 Patent are substantially the same, and an ordinary observer would perceive the overall appearance of the design of Defendant's XConnect prewired perforating gun system and the '475 Patent to be substantially the same.

45. DynaEnergetics has been, is being, and will continue to be injured and has suffered, is suffering, and will continue to suffer injury and damages for which it is entitled for relief under at least 35 U.S.C. §§ 281, 284, 285, and 289.

46. Defendant's past and continuing infringement of the '475 Patent has irreparably harmed DynaEnergetics, and Defendant's infringement will continue unless enjoined by this Court pursuant to 35 U.S.C. § 283.

47. Upon information and belief, such infringement has been, and will continue to be, deliberate, intentional, and willful, making this an exceptional case and entitling DynaEnergetics to increased damages and reasonable attorneys' fees pursuant to 35 U.S.C. §§ 284 and 285.

#### **ATTORNEYS' FEES**

48. Pursuant to 35 U.S.C. § 285, DynaEnergetics is entitled to and hereby demands its reasonable attorneys' fees in this case.

#### **JURY DEMAND**

49. Pursuant to Rule 38 of the Federal Rules of Civil Procedure, DynaEnergetics respectfully requests a trial by jury of any issues so triable.



**PRAYER FOR RELIEF**

WHEREFORE, DynaEnergetics respectfully asks that the Court issue citation for Defendant to appear and answer and seeks the following additional relief:

A. that Defendant be declared to have directly infringed one or more of the claims of the Patents-in-Suit under 35 U.S.C. § 271;

B. that the Court issue a preliminary and permanent injunction pursuant to 35 U.S.C. § 283 against the continuing infringement of the claims of the Patents-in-Suit by Defendant, its officers, agents, employees, attorneys, representatives, and all others acting in concert therewith;

C. that the Court order an accounting for all monies received by or on behalf of Defendant and all damages sustained by DynaEnergetics as a result of Defendant's aforementioned infringements, that such monies and damages be awarded to DynaEnergetics, and that interest and costs be assessed against Defendant pursuant to 35 U.S.C. §§ 284 and 289;

D. that the Court declare that Defendant's infringement was and is willful from the time it became aware of the infringing nature of their product and award treble damages for the period of such willful infringement of the Patents-in-Suit, pursuant to 35 U.S.C. § 284;

E. that the Court declare this an exceptional case and order that Defendant pay to DynaEnergetics its reasonable attorneys' fees and costs, pursuant to 35 U.S.C. § 285; and

F. that the Court award such further and other relief to DynaEnergetics as the Court deems just, together with its costs and disbursements in this action.

Dated: April 16, 2021

Respectfully submitted,

By: /s/ Eric H. Findlay

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Texas Bar No. 00789886

Roger Brian Craft

Texas Bar No. 04972020

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